Kenneth M. Rubin Senior Attorney Florida Power & Light Company 700 Universe Boulevard Juno Beach, FL 33408-0420 (561) 691-2512 (561) 691-7135 (Facsimile) Kenneth.Rubin@fpl.com

September 17, 2010

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# -VIA HAND DELIVERY -

Ms. Ann Cole Commission Clerk Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

## Re: Docket No. 100002-EG Energy Conservation Cost Recovery Clause

Dear Ms. Cole:

I am enclosing for filing in the above docket:

- The original and seven (7) copies of Florida Power & Light Company's Petition for Approval of its Conservation Cost Recovery Factors for the Period January 2011 through December 2011. 07832 -10
- 2 The original and fifteen (15) copies of the prefiled testimony and exhibits of FPL witnesses Anita Sharma and Terry J. Keith in support of the forgoing petition. 07823-10
- Also included herewith is a CD containing electronic file of FPL's Petition for its Conservation Cost Recovery Factors, together with a separate CD containing Microsoft Excel schedules which are included in Exhibits AS-2 and AS-3. 07823-10

СОМ	If there are any questions regarding this transmittal, please of	contact me at 561-691-2512
	For Kenneth M. Rubin	
SSC    ADM    OPC    CLK Enclose		
cc:	Counsel for parties of record (w/encl.)	- Store Prove and the second second

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#### **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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In re: Energy Conservation Cost **Recovery Clause** 

Docket No. 100002-EG

Filed: September 17, 2010

### PETITION OF FLORIDA POWER & LIGHT COMPANY FOR APPROVAL OF ITS CONSERVATION COST RECOVERY FACTORS FOR THE PERIOD JANUARY 2011 THROUGH DECEMBER 2011

Florida Power & Light Company ("FPL"), pursuant to Section 366.82(2), Florida Statutes (2001), Rule 25.17.015, Florida Administrative Code, Order No. PSC-93-0709-FOF-EG, and Order No. PSC-98-1084-FOF-PU, hereby petitions the Florida Public Service Commission ("Commission") for approval of the Conservation Cost Recovery Factors ("ECCR") shown on Exhibit AS-3, Schedule C-1, page 3 of 3, attached hereto and incorporated by reference, to be applied during the January 2011 through December 2011 billing period and to continue in effect thereafter until modified by the Commission. In support of this Petition FPL states as follows:

1. FPL is an investor-owned electric utility regulated by the Commission pursuant to Chapter 366, Florida Statutes. FPL is subject to the Florida Energy Efficiency Conservation Act ("FEECA"), and its ECCR clause is subject to the Commission's jurisdiction. Pursuant to Rule 25-17.015(1)(d), Florida Administrative Code, and Order Nos. PSC-93-0709-FOF-EG, PSC-93-1845-FOF-EG and PSC-98-1084-FOF-PU (among others), the Commission has authorized ECCR Factors. FPL's substantial interest in the recovery of its conservation-related expenditures will be affected by this proceeding.

2. FPL's ECCR Factors were calculated consistent with the order establishing annual ECCR Factors, Order No. PSC-93-0709-FOF-EG, and the order establishing the ECCR cost of service methodology, Order No. PSC-93-1845-FOF-EG.

3. At the request of the Commission Staff, FPL is presenting two alternative DOCUM projections of the 2011 ECCR costs. The first ("Alternative 1") assumes that FPL implements its

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current, approved DSM Plan (the "Current 2004 DSM Plan") in order to achieve the 2011 DSM goals that were established in Docket No. 040029-EG (the "Prior 2011 Goals"). The second ("Alternative 2") assumes that FPL implements the new DSM Plan for 2010-2019 that was submitted to the Commission for approval in Docket No. 100155-EG (the "Proposed DSM Plan"), in order to achieve the current 2011 DSM goals that were established in Order No. PSC-09-0855-FOF-EG (the "Current 2011 Goals"). Also presented are the total level of costs FPL seeks to recover under each of those two alternatives and the Conservation Factors in Schedule C-1 of Exhibits AS-2 and AS-3. Both alternatives include ECCR factors that are designed to recover the projected conservation program expenses for the period January 2011 through December 2011 adjusted for (a) the estimated true-up for the period January 2010 through December 2010, and (b) the final conservation true-up for the period January 2009 through December 2009, as well as an interest provision for both true-ups. The calculation of ECCR factors under Alternative 1 and Alternative 2 and the supporting documentation are contained in the prepared testimony of FPL witnesses Anita Sharma and Terry J. Keith in Exhibits AS-2 and AS-3, which are being filed with and are incorporated by reference in this Petition. Exhibit AS-2 addresses the ECCR costs to be recovered under Alternative 1 and Exhibit AS-3 addresses the ECCR costs to be recovered under Alternative 2.

4. FPL's net true-up for 2010 is an under recovery of \$53,333,303, which includes the final conservation true-up under recovery for January 2009 through December 2009 of \$5,558,900 that was reported in FPL's Schedule CT-1 filed May 3, 2010 and the estimated/actual true-up under recovery for January 2010 through December 2010 of \$47,774,402.

5. Under Alternative 1, which is based upon the Current 2004 DSM Plan and the Prior 2011 Goals, FPL projects total conservation program costs, net of all program revenues, of \$181,326,381 for the period January 2011 through December 2011. The total recoverable conservation costs and applicable taxes, net of program revenues and reflecting the applicable

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over or under recoveries to be recovered during the January 2011 through December 2011 period are \$234,764,765 and the ECCR Factors included in Exhibit AS-2 are designed to recover this level of costs and taxes.

6. Under Alternative 2, which is based upon the Proposed DSM Plan and the Current 2011 Goals, FPL projects total conservation program costs, net of all program revenues, of \$305,803,945 for the period January 2011 through December 2011. The total recoverable conservation costs and applicable taxes, net of program revenues and reflecting the applicable over or under recoveries to be recovered during the January 2011 through December 2011 period are \$359,331,815 and the ECCR Factors included in Exhibit AS-3 are designed to recover this level of costs and taxes.

7. Based upon the foregoing, and given the two distinct scenarios that Staff has requested, FPL respectfully requests the Commission to approve the ECCR Factors shown on Exhibit AS-3, Schedule C-1, page 3 of 3, which are based upon the timely approval of the Proposed DSM Plan and the Current 2011 Goals identified in Alternative 2. However, in the event the Commission does not timely adopt the Proposed DSM Plan and instead directs FPL to meet the Prior 2011 Goals required by the Current 2004 DSM Plan identified in Alternative 1, FPL requests Commission approval of the ECCR Factors shown on Exhibit AS-2, Schedule C-1, page 3 of 3. FPL is entitled to relief pursuant to Section 366.82(2), Florida Statutes, Rule 25-17.015, Florida Administrative Code, Order No. PSC-93-0709-FOF-EG, and Order No. PSC-98-1084-FOF-PU.

WHEREFORE, FPL respectfully petitions the Commission to approve for the January 2011 through December 2011 billing period, effective starting with meter readings scheduled to be read on or after Cycle Day 1, and to continue in effect thereafter until modified by the Commission, the ECCR Factors for the period January 2011 through December 2011 shown on Exhibit AS-3, Schedule C-1, page 3 of 3, consistent with Alternative 2 as more fully described in

this Petition and in the testimony submitted in conjunction with this Petition. Alternatively, in the event the Commission does not adopt the Proposed DSM Plan and instead directs FPL to meet the Prior 2011 Goals, FPL petitions the Commission to approve for the January 2011 through December 2011 billing period, effective starting with meter readings scheduled to be read on or after Cycle Day 1, and to continue in effect thereafter until modified by the Commission, the ECCR Factors for the period January 2011 through December 2011 shown on Exhibit AS-2, Schedule C-1, page 3 of 3, consistent with Alternative 1 as more fully described in this Petition and in the testimony submitted in conjunction with this Petition.

Respectfully submitted,

R. Wade Litchfield, Esq. Vice President and General Counsel John T. Butler, Esq. Managing Attorney Kenneth M. Rubin, Esq. Senior Attorney Florida Power & Light Company 700 Universe Boulevard Juno Beach, FL 33408-0420 Telephone: (561) 691-2512 Facsimile: (561) 691-7135

Kenneth M. Rubin Fla. Bar No. 349038

### CERTIFICATE OF SERVICE Docket No. 100002-EG

I HEREBY CERTIFY that a true and correct copy of Florida Power & Light Company's Petition for Approval of its ECCR Factors for the Period January 2011 through December 2011 along with Testimony and Exhibits of Anita Sharma and Terry J. Keith have been furnished by hand delivery (\*) or U.S. mail on September 17, 2010, to the following:

Katherine Fleming \* Lee Eng Tan Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Beggs & Lane Law Firm Jeffrey Stone/Russell Badders/ Steven Griffin Attorneys for Gulf Power Company P.O. Box 12950 Pensacola, FL 32591-2950

Florida Industrial Power Users Group John W. McWhirter, Jr. c/o McWhirter Law Firm P.O. Box 3350 Tampa, FL 33601-3350

Beth Keating, Esq. Akerman Senterfitt Attorneys for Florida Public Utilities Company 106 East College Ave., Ste 1200 Tallahassee, FL 32301

James W. Brew F. Alvin Taylor Attorneys for White Springs Agricultural Chemicals, Inc. Brickfield, Burchette, Ritts & Stone, P.C. 1025 Thomas Jefferson St., NW Eighth Floor, West Tower Washington, DC 20007 Office of Public Counsel J. R. Kelly, Esq. Patricia Ann Christensen, Esq. Charlie Beck, Esq. c/o The Florida Legislature 111 West Madison St., Room 812 Tallahassee, FL 32399-1400

Ausley Law Firm James Beasley/J. Jeffrey Wahlen Attorneys for Tampa Electric Company (TECO) P.O. Box 391 Tallahassee, FL 32302

Keefe Law Firm Vicki Gordon Kaufman/Jon C. Moyle, Jr. Attorneys for Florida Industrial Power Users Groups (FIPUG) 118 North Gadsen Street Tallahassee, FL 32301

Progress Energy Service Company, LLC John T. Burnett P.O. Box 14042 St. Petersburg, FL 33733-4042

Kenneth M. Rubin Fla. Bar No. 349038

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